



Agenda Date: 8/16/06  
Agenda Item: IVB

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**[www.bpu.state.nj.us](http://www.bpu.state.nj.us)**

IN THE MATTER OF THE VERIFIED  
PETITION OF BROADVIEW NETWORKS, ) TELECOMMUNICATIONS  
INC., BRIDGECOM INTERNATIONAL, INC.,  
TRUCOM CORPORATION, AND ORDER  
BROADVIEW NP ACQUISITION CORP. FOR  
AUTHORITY TO INCUR DEBT AND TO ) DOCKET NO. TF06060445  
ENCUMBER PUBLIC UTILITY PROPERTY

(SERVICE LIST ATTACHED)

BY THE BOARD:

On June 10, 2006, Broadview Networks, Inc. ("Broadview Networks"), BridgeCom International, Inc. ("BridgeCom"), TruCom Corporation ("TruCom"), and Broadview NP Acquisition Corp. ("Broadview NP") (collectively, "Petitioners") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting approval to incur debt obligations of up to \$250 million and to encumber public utility property through the grant of security interests in Petitioners' assets in support of their financing arrangement. Petitioners propose to enter into a financing arrangement in order to refinance existing debt arrangements, as well as secure additional new financing.

Broadview Networks is a New York corporation with offices located in Rye Brook, NY. Broadview Networks is a wholly owned subsidiary of Broadview Networks Holdings, Inc. ("Broadview Holdings") a privately held Delaware corporation. Broadview Networks is a network-based electronically integrated communications provider which serves small and medium-sized businesses in the northeastern and mid-Atlantic United States. Broadview Networks is authorized to provide competitive telecommunications services in approximately 20 states and holds authority from the FCC to provide international and interstate service. In New Jersey, Broadview Networks is authorized to provide facilities-based and resold interexchange and local exchanges services pursuant to authority granted by the Board by Order issued in Docket No. TE99120912, on August 16, 2000.

Pursuant to transactions previously approved by the Board by Order dated December 23, 2004, in Docket No. TM04111395, Broadview Holdings is also the parent company of Broadview NP, BridgeCom, and TruCom. Broadview NP, BridgeCom and TruCom all have principal offices located in Rye Brook, NY. These subsidiaries also hold authorizations to provide competitive telecommunications services in multiple states and authority from the FCC to provide international and interstate services. In New Jersey, Broadview NP is authorized to provide interexchange and local exchange services pursuant to authority granted by the Board by Order

issued in Docket No. TE02040253, on August 7, 2002. BridgeCom is authorized to provide facilities-based competitive interexchange and local exchange services pursuant to authority granted by the Board by Order issued in Docket No. TE01010040, on February 6, 2002. TruCom is authorized to provide facilities-based competitive interexchange and local exchange services pursuant to authority issued by the Board in Docket No. TE00090630, on March 15, 2001.

According to the petition, Petitioners propose to participate in certain financing transactions whereby Petitioners' parent company, Broadview Holdings, will refinance existing debt arrangements with more favorable terms and participate in additional new financing with a total aggregate amount of up to \$250 million. Petitioners anticipate that the new financing arrangement will involve long-term loans from institutional lenders, issuance of corporate notes, a revolving credit facility or a mix of these financing vehicles. Petitioners anticipate that they will incur this debt either as co-borrowers or guarantors of Broadview Holdings' debt, and that the debt will be secured by a lien on Petitioners' assets. Among other things, the funds from the loans will be used to refinance existing indebtedness (a total of approximately \$145 million) with more favorable and flexible terms, fund working capital, transaction costs, and other general corporate purposes of the Petitioners. The latter purposes may include expanding and developing Petitioners' network and operations and making other capital expenditures or permitted acquisitions necessary to execute their strategic business plan.

Petitioners state that approval of the proposed financing arrangements will serve the public interest by enhancing the ability of Petitioners to grow and compete in the highly competitive markets for telecommunications services in New Jersey and nationwide by providing Petitioners with the opportunity to strengthen their competitive position through access to greater financial resources. Approval of the financing transaction described herein is not expected directly to affect in any way Petitioners' ownership, name, or management and will have no negative effects on New Jersey customers or competition. Furthermore, Petitioners state that by increasing the breadth and scope of telecommunications services made available through an increased ability to expand Petitioners' operations, greater access to capital will also strengthen Petitioners' ability to bring competitive telecommunications services to consumers in the State of New Jersey.

The Division of the Ratepayer Advocate has reviewed this matter and, by letter dated July 27, 2006, recommends the Board approve this petition.

After a thorough review of the petition and all related documents, and the recommendation of Board staff, the Board FINDS that the proposed borrowing is in accordance with law and that the purposes thereof should be approved.

The Board, after being satisfied with the actions as proposed by Petitioners as indicated above, and approving the purposes thereof, HEREBY ORDERS that Petitioners be and are HEREBY AUTHORIZED to participate in the financing transaction as hereinabove described.


This Order is subject to the following provisions:

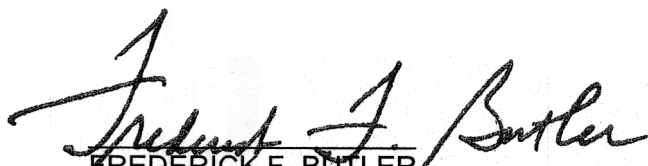
1. Petitioners shall notify the Board, within five business days, of any material changes in the Financings, and shall provide complete details of such transactions including any anticipated effects upon service in New Jersey.
2. Petitioners shall notify the Board of any material default on the terms of the Financings within five business days of such occurrence.
3. Notwithstanding anything to the contrary in the documents executed pursuant to the financing transactions or other supporting documents, a default or assignment under such agreement does not constitute an automatic transfer of Petitioners' assets. Board approval must be sought pursuant to N.J.S.A. 48:1-1 et seq. where applicable.
4. This Board's approval is expressly limited to the financing described herein and as more fully described in the Petition and supporting documents.
5. This Order shall not be construed as directly or indirectly fixing, for any purpose whatsoever, any value of the tangible or intangible assets now owned or hereafter to be owned by Petitioners.

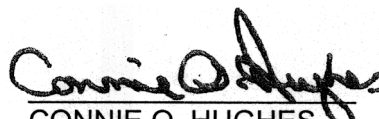
6. This Order shall not affect nor in any way limit the exercise of the authority of this Board, or of the State of New Jersey, in any future petition or in any proceedings with respect to rates, franchises, services, financing (including the method of sale of securities), accounting, capitalization, depreciation or in any other matters affecting Petitioners.


DATED: 8/18/06

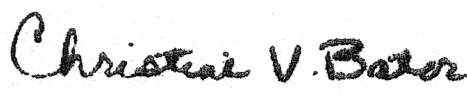
BOARD OF PUBLIC UTILITIES  
BY:

  
JEANNE M. FOX  
PRESIDENT

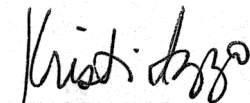
  
FREDERICK F. BUTLER  
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CONNIE O. HUGHES  
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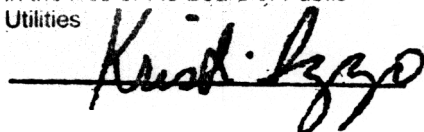
  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
CHRISTINE V. BATOR  
COMMISSIONER

ATTEST:

  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
Utilities



## SERVICE LIST

**In the Matter of the Verified Petition of Broadview Networks, Inc., BridgeCom International, Inc., TruCom Corporation, and Broadview NP Acquisition Corp. for Authority to Incur Debt and to Encumber Public Utility Property**

**Docket No. TF06060445**

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